



## CoreCivic Enters Into New Agreement With Federal Government to Utilize the La Palma Correctional Center

July 24, 2018

NASHVILLE, Tenn., July 24, 2018 (GLOBE NEWSWIRE) -- **CoreCivic, Inc.** (NYSE: CXW) (the Company) announced today that the Federal Government has entered into a new agreement to utilize CoreCivic's 3,060-bed La Palma Correctional Center in Eloy, Arizona. More specifically, the city of Eloy has agreed to modify an existing Intergovernmental Agreement with Immigration and Customs Enforcement (ICE) to add the La Palma facility as a place of performance, while also permitting the U.S. Marshals Service (USMS) to utilize capacity at the facility at any time in the future. ICE currently expects to house up to 1,000 adult detainees at the La Palma facility under the new agreement and may house additional populations at the facility, subject to availability. No family units or unaccompanied minors will be placed in the facility.

The La Palma Correctional Center currently houses approximately 2,500 inmates from the state of California. The State has begun to withdraw its population at the facility and announced plans earlier this year to ultimately discontinue utilization by January 2019. Capacity at the facility will be made available to the Federal Government under the new agreement as additional State inmate populations exit the facility. Under the terms of our agreement, the federal and state populations will not mix while both government entities utilize the facility.

The new contract commences on July 24, 2018, and has an indefinite term, subject to termination by either party with 90 days' written notice. Updated full year 2018 financial guidance reflecting the impact of this new agreement will be provided with the issuance of the Company's second quarter 2018 financial results on Wednesday, August 8, 2018.

"The value of our mission-critical real estate assets and the important services that we provide to our Federal partners are once again verified by today's contract announcement," said Damon Hininger, CoreCivic's President and Chief Executive Officer. "CoreCivic has been a critical component of California's correctional system for the last ten years, but as their capacity needs have reduced, other government agencies continue to face correctional and detention challenges that we can help address. We are pleased to be able to quickly transition available capacity at the La Palma Correctional Center to meet the needs of the Federal Government, while retaining the experienced professional staff at the facility."

Mr. Hininger continued, "This is the fifth and final company-owned facility that has housed inmate populations for the state of California out-of-state. With today's announcement we have now secured new contracts with multiple state and federal partners for all five of these facilities and have substantially diversified our sources of revenue."

### About CoreCivic

The Company is a diversified government solutions company with the scale and experience needed to solve tough government challenges in flexible cost-effective ways. We provide a broad range of solutions to government partners that serve the public good through corrections and detention management, government real estate solutions, and a growing network of residential reentry centers to help address America's recidivism crisis. We are a publicly traded real estate investment trust (REIT) and the nation's largest owner of partnership correctional, detention and residential reentry facilities. We also believe we are the largest private owner of real estate used by government agencies. The Company has been a flexible and dependable partner for government for more than 30 years. Our employees are driven by a deep sense of service, high standards of professionalism and a responsibility to help government better the public good. Learn more at <http://www.corecivic.com/>.

### Forward-Looking Statements

This press release contains statements as to our beliefs and expectations of the outcome of future events that are "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the statements made. These include, but are not limited to, the risks and uncertainties associated with: (i) general economic and market conditions, including, but not limited to, the impact governmental budgets can have on our contract renewals and renegotiations, per diem rates, and occupancy; (ii) fluctuations in our operating results because of, among other things, changes in occupancy levels, competition, contract renegotiations or terminations, increases in costs of operations, fluctuations in interest rates and risks of operations; (iii) our ability to obtain and maintain correctional, detention, and residential reentry facility management contracts because of reasons including, but not limited to, sufficient governmental appropriations, contract compliance, negative publicity, and effects of inmate disturbances; (iv) changes in the privatization of the corrections and detention industry, the public acceptance of our services, the timing of the opening of new facilities and the commencement of new management contracts, as well as our ability to utilize current available beds; (v) changes in government policy regarding the utilization of the private sector for corrections, detention, and residential reentry capacity and our services; (vi) changes in government policy and in legislation and regulation of corrections and detention contractors that affect our business, including, but not limited to, the continued utilization of the South Texas Family Residential Center by ICE under terms of the current contract, and the impact of any changes to immigration reform and sentencing laws (Our company does not, under longstanding policy, lobby for or against policies or legislation that would determine the basis for, or duration of, an individual's incarceration or detention.); (vii) our ability to successfully identify and consummate future acquisitions and our ability to successfully integrate the operations of completed acquisitions and realize projected returns resulting therefrom; (viii) increases in costs to develop or expand correctional, detention, and residential reentry facilities that exceed original estimates, or the inability to complete such projects on schedule as a result of various factors, many of which are beyond our control, such as weather, labor conditions, cost inflation, and material shortages, resulting in increased construction costs; (ix) our ability to meet and maintain qualification for taxation as a REIT; and (x) the availability of debt and equity financing on terms that are favorable to us. Other factors that could cause operating and financial results to differ are described in the filings we make from time to time with the Securities and Exchange Commission.

CoreCivic takes no responsibility for updating the information contained in this press release following the date hereof to reflect events or circumstances occurring after the date hereof or the occurrence of unanticipated events or for any changes or modifications made to this press release or the information contained herein by any third-parties, including, but not limited to, any wire or internet services.

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Primary Logo

Source: CoreCivic, Inc.